Message Text

CONFIDENTIAL

PAGE 01 KUALA 04413 230512Z ACTION EA-12

INFO OCT-01 ISO-00 PM-05 NSC-05 SP-02 SS-15 CIAE-00 INR-10 NSAE-00 PA-01 ICA-11 EB-08 L-03 /073 W ------084018 231048Z /20

R 230313Z MAY 78 FM AMEMBASSY KUALA LUMPUR TO SECSTATE WASHDC 4326 SECDEF WASHDC

CONFIDENTIAL KUALA LUMPUR 4413

E. O. 11652: GDS TAGS: MASS, MY SUBJ: NORTHROP CASE

REF: KUALA LUMPUR 4127 AND PREVIOUS

1. IN THE ELEVENTH DAY OF THE CORRUPTION CASE AGAINST RETIRED GROUP CAPTAIN AHMAD SHAH BIN HASHIM, THE COURT ADMITTED INTO EVIDENCE A SEVENTEEN PAGE CAUTIONED STATEMENT MADE BY THE DEFENDANT IN APRIL, 1976, DURING QUESTIONING BY THE NATIONAL BUREAU OF INVESTIGATION. THE STATEMENT ALLEGED THAT THE DEFENDANT'S ACITION WITH SUARIKAT BUMIPUTRA WAS AT THE REQUEST OF AND ON BEHALF OF THEN AIR COMMODORE MOHAMED TAIB, THE CURRENT CHIEF OF AIR STAFF. ACCORDING TO THE STATEMENT, THE DEFENDANT WAS SUMMONED BY MOHAMED TAIB, WHO SOLICITED THE DEFENDANT'S ASSISTANCE IN PRESSING SYARIKAT BUMIPUTRA FOR ONE THIRD OF THE SALES COMMISSION. THE DEFENDANT CLAIMED THAT HE SUBSEQUENTLY ADVISED SYARIKAT BUMIPUTRA THAT IT WAS MOHAMED TAIB WHO WANTED THE COMMISSION AND THAT HE PASSED THE MONIES EVENTUALLY RECEIVED FROM THAT COMPANY TO THE AIR COMMODORE. THE DEFENDANT'S STATEMENT FURTER ALLEGED THAT HE ACTED UNDER DURESS AND THAT HE CONFIDENTIAL.

CONFIDENTIAL

PAGE 02 KUALA 04413 230512Z

FEARED APPROACHING THE COMPANY BECAUSE "HE KNEW THE COMPANY HAS POWERFUL PEOPLE." HE ALLEGEDLY THEN INFORMED THE AIR COMMODORE THAT COMPANY DIRECOTRS INCLUDED RAJA ZULKIFLI (THE EX-SPEAKER OF THE NATIONAL ASSEMBLY) AND TAN SRI KADIR SHANSUDDIN (CURRENTLY HTE HEAD OF THE NATIONAL OIL COMPANY PETRONAS, AND A NEPHEW OF THE PRESI-

DENT OF SYARIKAT BUMIPUTRA, HAJI IBRAHIM BIN
SHEIK YAHYA). COUNSEL FOR THE DEFENSE SUBSEQUENTLY
STRESSED THIS STATEMENT IN SUMMATION OF THE CASE,
MAINTAINING THAT THE PROSECUTION HAD FAILED TO
PROVE THAT THE DEFENDANT HAD IN FACT RECOMMENDED
THE PURCHASE OF NORTHROP AIRCRAFT AND HAD IN FACT RECOMMENDED
THE PURCHASE OF NORTHROP AIRCRAFT AND HAD NOT
RECEIVED THE ILLEGAL PAYMENTS HIMSLEF.

2. COMMENT: WE ARE LED TO BELIEVE BY THE LOCAL NORTHROP CORPORATION REPRESENTATIVE ROBERT A. UHRIG THAT THERE IS CONSIDERABLE BAD BLOOD BETWEEN THE DEFENDANT AND THE CURRENT CHIEF OF AIR STAFF. BE THAT THE CASE OR NOT, HOWEVER, THE IMPLIED INVOLVEMENT OF A NUMBER OF HIGHLY PLACED OFFICIALS APPEARS TO BE AN ATTEMPT TO SHIFT RESPONSIBILITY FOR THE ACTS TO OTHERS WHOSE POSITIONS WOULD SCREEN THEM FROM FURTHER PROSECTUION. THE EMBASSY IS NOT, OF COURSE, IN A POSITION TO JUDGE WHETHER THOSE NAMED ACTUALLY BEAN RESPONSIBILITY. IN CONVERSATION WITH THE EMBASSY AIRATT, THE CHIEF OF AIR STAFF DISCLAIMED ANY INVOLVEMENT IN THE AFFAIR, BUT ADDED THAT COUNTERCHARGES ON HIS PART WOULD ONLY SERVE TO FURTHER DAMAGE THE RMAF. THE CHIEF OF AIR STAFF FURTHER NOTED THAT THE RMAF WISHES TO PURCHASE ADDITIONAL F-5F NORTHROP AIR-CONFIDENTIAL

CONFIDENTIAL

PAGE 03 KUALA 04413 230512Z

CRAFT, BUT FOR OBVIOUS POLITICAL REASONS WAS PRECLUDED FROM DOING SO UNTIL THE CURRENT AFFIAR WAS SETTLED. MILLER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X Capture Date: 01 jan 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: CORRUPTION, BRIBERY, MILITARY AIRCRAFT, INVESTIGATIONS, MILITARY SALES, COURT PROCEEDINGS

Control Number: n/a Copy: SINGLE Draft Date: 23 may 1978 Decaption Date: 01 jan 1960 Decaption Note: Disposition Action: RELEASED Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW

Disposition Date: 20 Mar 2014 Disposition Event: Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KUALA04413
Document Source: CORE

Document Unique ID: 00 Drafter: n/a

Enclosure: n/a Executive Order: GS Errors: N/A

Expiration: Film Number: D780216-0922 Format: TEL

From: KUALA LUMPUR Handling Restrictions: n/a

Image Path: ISecure: 1

Legacy Key: link1978/newtext/t19780530/aaaaayxg.tel

Line Count: 97 Litigation Code IDs: Litigation Codes:

Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM

Message ID: 999a0799-c288-dd11-92da-001cc4696bcc

Office: ACTION EA

Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a

Page Count: 2
Previous Channel Indicators: n/a Previous Classification: CONFIDENTIAL Previous Handling Restrictions: n/a Reference: 78 KUALA LUMPUR 4127

Retention: 0

Review Action: RELEASED, APPROVED Review Content Flags:

Review Date: 11 may 2005 Review Event:

Review Exemptions: n/a **Review Media Identifier:** Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

SAS ID: 2607842 Secure: OPEN Status: NATIVE

Subject: NORTHROP CASE

TAGS: MASS, MY, NORTHROP, (AHMAD SHAH BIN HASHIM)
To: STATE DOD

Type: TE

vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/999a0799-c288-dd11-92da-001cc4696bcc

Review Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014